

TREASURY

OFFICE OF THE STATE TREASURER

Charitable Fund-Raising Among Employees of  
Local Units of Government

Proposed Adoption: N.J.A.C. 17:29-1.1, et seq.

Authorized by: John E. McCormac, Treasurer

Authority: N.J.S.A. 52:14-15.9c13; N.J.S.A. 52:18A-30;

N.J.S.A. 52:27B-40

Proposal Number:

Submit comments by \_\_\_\_\_, 2004 to:

Office of the State Treasurer  
P.O. Box 002  
Trenton, New Jersey 08625-0002

The Agency proposal follows:

Summary

The Public Employee Charitable Fund-Raising Act, N.J.S.A. 52:14-15.9c1, et seq., (the Act) was enacted in 1985 to provide for an expanded Charitable Fund-Raising Campaign (the Campaign) among employees of local units of government. The Act followed a successful court challenge to prior law which afforded only the United Way access to public employees to conduct a payroll deduction campaign. Under the current law, the State Treasurer is directed to develop rules to implement the provisions of the Act.

Pursuant to the terms of the Act, a voluntary fund-raising campaign is conducted annually employees of local

units of government, who may authorize contributions to be deducted from their paychecks during the following year. Participation in a local unit of government Campaign is the sole means through which charitable organizations can engage in the direct solicitation of funds from employees local units of government at work sites. N.J.A.C. 17:29-1.5(a). For-profit entities are not permitted to engage in the direct solicitation of funds from employees of local units of government at work sites.

Chapter 29 became effective on August 16, 1985 as an Emergency Rule. The Chapter was readopted numerous times in subsequent years and the Campaign has remained in operation continuously until, pursuant to the sunset provision of Executive Order No. 66 (1978), Chapter 29 expired on November 17, 2000. Although the regulations expired, the local units of government Campaigns has continued under to operate under the standards set forth in the prior regulations.

The State Treasurer proposes to adopt Chapter 29 in substantially the same form as that Chapter existed at the time that it expired. Some minor changes from the prior regulations are proposed.

Chapter 29 previously permitted charitable organizations participating in local Campaigns to solicit funds from public employees through printed materials accompanying payroll checks. Those materials are commonly known as payroll inserts.

In prior State Employee Charitable Campaigns, the State Treasurer received an increasing number of requests for permission to solicit funds from public employees through payroll inserts from charitable organizations, community groups, professional athletic organizations, and for-profit entities. Although some of the entities requesting the use of payroll inserts participate in the Campaign, many do not.

Each organization permitted to solicit funds from public employees through a payroll insert in the State Campaign is required to bear the cost of producing its printed material. However, a significant investment of resources and employee time is required to review each proposed insert and to sort, bundle, route and distribute those inserts which are approved for circulation. The State Treasurer has determined that the administrative burden imposed by the mounting number of payroll insert requests represents a significant burden on the local unit of government sponsoring a Campaign. Thus, the

State Treasurer has concluded that the administration and operation of the Local Public Employee Charitable Fund-Raising Campaign would be better facilitated through the elimination of the use of payroll inserts to solicit funds from employees of local units of government.

Therefore, the proposed N.J.A.C. 17:29-1.5(e) prohibits the use of payroll inserts by charitable agencies, charitable fund-raising organizations and any other entity to solicit funds from employees of local units of government, except for printed materials related to the charitable fund-raising Campaign, as allowed by the Chief Executive Officer of the local unit of government.

In addition, the State Treasurer proposes changes to Chapter 29 to clarify vague or inconsistent provisions in the regulations. Statutory citations are also corrected, the language of the prior regulations is rendered gender neutral, and the time for performing some tasks associated with local Campaigns is extended.

Finally, at the suggestion of the Campaign Steering Committee, the State Treasurer proposes to permit representatives of the Campaign to engage in educational activities at the public work place during the Campaign

period, as permitted by the Chief Executive Officer of the local unit of government. However, educational activities of this type may not be conducted in a way that can be construed as a direct or indirect request for a contribution and must promote a unified educational message, without criticizing or promoting any charitable fund-raising organization or charitable agency.

#### Social Impact

The proposed regulations would have a positive social impact in light of the prior success of local units of government Campaigns as a method for soliciting funds from public employees. Such Campaigns provide access to the local unit of government public workplace to a variety of charitable organizations and agencies in order that these groups may solicit and collect contributions to further their respective missions. The Campaign affords employees of local units of government a broad avenue of expression and freedom in designating recipients of their charitable contributions. Elimination of payroll inserts as a method of soliciting funds from employees of local units of government will not inhibit the beneficial social impact of the local Campaigns, as the

fund-raising activities of participating organizations through payroll deductions authorized by employees of local units of government will not be curbed. In addition, allowing representative of local Campaigns to conduct educational activities in limited circumstances is likely to advance participation in the Campaigns and promote charitable donations.

#### Economic Impact

The proposed regulations would have a positive economic impact on public finances by eliminating the expenditure of resources and employee time on the administration of payroll insert applications and the sorting, bundling, routing, and distribution of payroll inserts approved for circulation.

#### Federal Standards Statement

The proposed regulations are not subject to Federal standards or requirements.

#### Job Impact

The proposed regulations are not expected to have an effect on the generation or loss of jobs in the State.

#### Agriculture Industry Impact

The proposed regulations will not have an impact on the agriculture industry.

#### Regulatory Flexibility Statement

As defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16, et seq., the term \_small business\_ may apply to some charitable agencies wishing to participate in local unit of government Campaigns. However, the proposed regulations impose no record keeping requirements on such entities. The financial documents that must be provided to participate in local unit of government Campaigns are already likely to be maintained by participating entities.

#### Federal Standards Statement

The proposed regulations are not subject to Federal standards or requirements.

Full text of the proposed regulations follows:

## SUBCHAPTER 1. GENERAL PROVISIONS

### **17:29-1.1 Purpose**

(a) The purpose of the regulations in this chapter is to:

1. Provide a convenient channel through which employees of local units of government may support the efforts of charitable fund-raising organizations and charitable agencies while minimizing disruption to the workplace and cost to the taxpayers that fund-raising may entail;

2. Establish a system for the planning and conduct of charitable fund-raising campaigns among employees of local units of government in order to ensure that the funds will be collected and distributed in a reasonable manner; and

3. Provide eligible charitable organizations and charitable agencies access to the workplace of employees of local units of government for soliciting and collecting such contributions.

### **17:29-1.2 Scope**



No deductions shall be made from compensation payable by disbursing officers of local units of government or their agents, or from compensation payable to employees of any local unit of government, for the payment of contributions to any charitable fund-raising organization or charitable agency pursuant to N.J.S.A. 52:14-15.9c1, unless such organization or agency complies with the requirements of this chapter.

### **17:29-1.3 Definitions**

The following words and terms, when used in this chapter shall have, unless the context clearly indicates otherwise, the following meanings:

Affiliated charitable agency means a charitable agency which is affiliated with a charitable fund-raising organization participating in a local unit of government Campaign for the purpose of directly sharing in funds raised by the organization.

Appropriate disbursing officer means that individual or individuals, in the case of a local unit of government, who is responsible for employee payroll of that unit of government.

\_Campaign manager\_ means a charitable fund-raising organization which manages a local unit of government charitable fund-raising Campaign.

\_Campaign volunteer\_ means a public employee who volunteers to assist the Campaign Manager in the administration of a local unit of government Campaign.

\_Charitable agency\_ means a volunteer, not-for-profit organization which provides health, welfare, or human care services to individuals.

\_Local Unit of Government Charitable fund-raising campaign\_ means an annual payroll deduction campaign among employees of a local unit of government, organized pursuant to the Public Employee Charitable Fund-Raising Act, N.J.S.A. 52:14-15.9c1, to receive and distribute the voluntary charitable contributions of employees of local units of government.

\_Charitable fund-raising organization\_ means a volunteer, not-for-profit organization which receives and distributes voluntary charitable contributions.

\_Compensation\_ means compensation payable by the appropriate disbursing officer to an employee of a local unit of government.

\_Day\_ means a working day.

\_Health, welfare or human care services\_ means services, provided directly or indirectly, meeting the human needs of health, welfare or care, including, but not limited to, the relief of human suffering and poverty, public education and welfare, education, civil and human rights, and environmental restoration and conservation.

\_Local unit of government\_ means any county, municipality, board of education or instrumentality thereof.

\_Payroll deduction\_ means a contribution deducted from the compensation of an employee of a local unit of government pursuant to N.J.S.A. 52:14-15.9c1.

\_Unaffiliated charitable agency\_ means a charitable agency which provides health, welfare, or human care services within New Jersey and which is not affiliated with a charitable fund-raising organization.

\_Undesignated contribution\_ means funds contributed to a charitable fund-raising campaign with no designation by the contributor as to the recipient charitable fund-raising organization or charitable agency.

#### **17:29-1.4 Forms**

In order to carry out its functions, the Chief Executive Officer of a local unit of government shall use such forms as he or she shall deem appropriate. Such forms may be amended, supplemented and/or replaced at the discretion of the Chief Executive Officer of the local unit of government.

#### **17:29-1.5 Campaign management**

(a) No charitable agency or charitable fund-raising organization shall engage in any direct solicitation activity at the work site of employees of local units of government, except as a participant in a local unit of government Campaign and in accordance with N.J.A.C. 17:29.

(b) No charitable agency shall participate in a local unit of government Campaign as both an affiliated and an unaffiliated agency.

(c) All activities of a local unit of government Campaign shall be conducted in a manner that promotes a unified solicitation on the behalf of all participants. While it is permissible to individually identify, describe or explain the charitable fund-raising organizations or charitable agencies in a local Campaign for informational purposes, no person affiliated with a local Campaign shall engage in any local Campaign activity that is construed to either advocate or criticize any specific charitable fund-raising organization or charitable agency.

(d) No official or employee of a local unit of government shall assume the duties and responsibilities of the local Campaign Steering Committee, the local Campaign Steering Committee Chair, or the local Campaign Manager. In the event of the inability of the Committee to function, or a continuing vacancy in the position of Chair or Manager, the Chief Executive Officer of a local unit of government shall have the right to cancel the local Campaign. The Chief Executive Officer shall designate a local employee coordinator to assist the local Campaign Steering Committee.

(e) No charitable agency, charitable fund-raising organization, or any other entity, shall be permitted to solicit funds from employees of local units of government through the use of a circular, notice, advertisement, solicitation, inquiry, or other communication of any type, purpose or design distributed with, or at the same time as, an envelope or other container having within it a payroll check or other official communication from the local unit of government. Distribution of printed materials related to the charitable fund-raising campaign, as approved by the Campaign Steering Committee, shall be permitted.

SUBCHAPTER 2. CHARITABLE FUND-RAISING  
CAMPAIGN STEERING COMMITTEE

**17:29-2.1 General provisions**

(a) Each local Campaign Steering Committee shall act as the operational unit of its local unit of government Campaign. Its actions on behalf of the member charitable fund-raising organizations shall be binding; it may assign functions, organize subgroups, and enlist others in its activities as it deems necessary in order to carry out its responsibilities.

(b) The underlying philosophy that shall govern the actions of each local Campaign Steering Committee and the relationship among participating charitable fund-raising organizations is that no one organization shall function in a manner that will be detrimental to other participating organizations or to agencies participating in the Campaign.

(c) Each local Campaign Steering Committee shall convene annually at the call of the Chief Executive Officer of the local unit of government.

(d) Each member shall have one vote.

(e) No action can be taken if objected to by at least five members of the Campaign Steering Committee:

#### **17:29-2.2 Membership**

Each local Campaign Steering Committee shall consist of one representative of each of the charitable fund-raising organizations eligible to participate in the local unit of government Campaign pursuant to N.J.S.A. 52:14-15.9c7a-e, g, and one representative of the local unit of government to be appointed by the Chief Executive Officer of the unit. Each local Committee may also include two representatives of the employees or the management of the local unit of government as may be designated by the governing body of the unit.

#### **17:29-2.3 Duties of Campaign Steering Committee**

(a) Each local Campaign Steering Committee shall:

1. Elect a Chair to conduct the meetings of the local Campaign Steering Committee. The Chair shall serve for a term



of one year and shall continue to serve until the election of a successor. The Chair shall be eligible for re-election.

2. Elect and oversee a local Campaign Manager, who shall demonstrate to the satisfaction of the local Campaign Steering Committee the administrative, financial, technical and management capability to organize, publicize and operate an extensive fund-raising campaign in an efficient and equitable manner in accordance with N.J.A.C. 17:29;

3. Establish policies and procedures for the operation and administration of the local unit of government Campaign, including the hearing of any grievances concerning the operation and administration of the local unit of government Campaign.

**17:29-2.4 Eligibility of charitable fund-raising organizations**

(a) The requirements for eligibility of a charitable fund-raising organization are set forth in N.J.S.A. 52:14-15.9c7.

(b) Charitable fund-raising organizations found eligible to participate on the State Campaign Steering Committee shall

automatically be eligible to participate on a local Campaign Steering Committee upon application to the local unit of government. The letter of the State Campaign Steering Committee so stating eligibility shall be proof of such eligibility.

(c) The burden of demonstrating eligibility shall rest with the applicant.

#### **17:29-2.5 Membership procedure Campaign Steering Committee**

(a) At least seventy days prior to the local unit of government campaign, the Chief Executive Officer of the local unit of government shall publish in one local newspaper (if one exists) and one Statewide newspaper notice of application for charitable fund-raising organizations wishing to participate in the local Campaign Steering Committee. The Chief Executive Officer shall also notify the State Campaign Steering Committee, through the State Treasurer, at least 20 days prior to the application deadline, that the local unit of government is taking applications.

(b) Not later than ten days after the close of the application due date, the Chief Executive Officer of the local unit of government shall notify each applicant of its eligibility or ineligibility for the local Campaign Steering Committee. In cases of ineligibility, the notice shall set forth the reason for such ineligibility.

#### **17:29-2.6 Appeal procedure**

(a) Any charitable fund-raising organization receiving notice of ineligibility shall have 15 days from receipt of such notice to file an appeal and to submit to the Chief Executive Officer of the local unit of government any additional information addressing any deficiencies in the application.

(b) Within 45 days of receipt of any additional information, the Chief Executive Officer of the local unit of government shall convene a special appeal panel consisting of representative of employees and management and the representative of the Chief Executive Officer to review the charitable fund-raising organization's application and any additional documentation or information submitted by the charitable fund-raising organization to address any deficiency

in the application as determined by the Chief Executive Officer.

(c) The special appeal panel shall conduct its review in a timely manner and in that time notify the Chief Executive Officer of its decision. The decision of the special appeal panel shall be final.

**17:29-2.7 Application form for charitable fund-raising organizations**

(a) The Chief Executive Officer of a local unit of government may request any general background information of the applicant charitable fund-raising organization which may aid the Chief Executive Officer in his or her determination of an organization's eligibility.

(b) In addition to the background information required in (a) above, the applicant must submit:

1. With respect to the requirements set forth in N.J.S.A. 52:14-15.9c7(a), 15.9c7(b) and 15.9c7(c), an Internal Revenue Service Letter of Determination or other proof from the Internal Revenue Service that the applicant:

i. Is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code;

ii. Qualifies for tax deductible contributions under section 170(b)(1)(A)(vi) or (viii) of the Internal Revenue Code; and

iii. Is not a private foundation as defined in section 509(a) of the Internal Revenue Code; and

2. With respect to the requirements set forth in N.J.S.A. 52:14-15.9e, annual financial reports which demonstrate that the organization raised, in each of its two fiscal years preceding its application to participate in a local Campaign, at least \$35,000 from individual citizens of New Jersey;

3. With respect to N.J.S.A. 52:14-15.9f, annual financial reports which demonstrate that the organization raised at least \$60,000 and distributed that sum among a minimum of 15 affiliated charitable agencies in each of its

two fiscal years, preceding its application to participate in a local Campaign;

4. A copy of the organization's Internal Revenue Service form 990 for each of the organization's two fiscal years preceding its application;

5. Documentary evidence that the organization is registered or exempt from registration pursuant to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes and the \_Charitable Registration and Investigation Act,\_ N.J.S.A. 45:17A-18 et seq.;

6. A copy of the organization's independent auditor's report for each of the organization's two fiscal years preceding its application;

7. A copy of the organization's annual report for each of the organization's two fiscal years preceding its application;

8. A statement affirming that the organization is directed by a governing body whose members have no material conflict of interest in their service on the governing body, and list of the members of the governing body and the identification of its officers;

9. A list of the affiliated charitable agencies to which the organization gave funds in its two fiscal years prior to the application and a list of at least 15 affiliated agencies to which it expects to give funds received in the Campaign, and a description of the health, welfare or human care services that each provides;

10. A statement affirming that the charitable fund-raising organization will give funds to at least 15 affiliated charitable agencies in the Campaign and that each of the organization's affiliated charitable agencies is:

i. Registered pursuant to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes and the \_Charitable Registration and Investigation Act, \_ N.J.S.A. 45:17A-18 et seq.,

except for an agency exempt from registration under the law; and

ii. Engaged in the provision of health, welfare or human care services; and

11. A statement affirming that the organization will be represented at meetings of the local Campaign Steering Committee and providing the name of the representative.

(c) In order to meet its application requirement, each charitable fund-raising organization found eligible to participate on the State Campaign Steering Committee need only submit along with its request to participate in the local Campaign the letter of the State Campaign Steering Committee so stating eligibility to participate in the State Campaign. Charitable fund-raising organizations which participated on the local Campaign Steering Committee for the immediately preceding Campaign and which do not participate on the State Campaign Steering Committee need only submit the most recent information to update the information required in (b) above.



SUBCHAPTER 3. LOCAL UNIT OF GOVERNMENT  
CHARITABLE FUND-RAISING CAMPAIGN

**17:29-3.1 Eligibility**

(a) A charitable fund-raising organization eligible for membership on a local Campaign Steering Committee shall be eligible to participate in the charitable fund-raising Campaign for that local unit of government.

(b) A charitable agency shall be eligible to participate in a local unit of government Campaign if

1. it is affiliated with a charitable fund-raising organization which is participating in the local unit of government Campaign; or

2. the charitable agency meets the requirements of N.J.S.A. 52:14-15.9c7a-e.

(c) The burden of demonstrating eligibility shall rest with the applying charitable fund-raising organization or applying unaffiliated charitable agency.

**17:29-3.2 Application procedure for unaffiliated agencies**

(a) See N.J.A.C. 17:29-2.5 for the application procedure of charitable fund-raising organizations.

(b) The application procedure for charitable agencies is as follows:

1. At least 75 days prior to the local unit of government Campaign, the Chief Executive Officer of the local unit of government shall publish in one local newspaper (if one exists) and one Statewide newspaper notice of application for charitable agencies wishing to participate in the local unit of government Campaign. The Chief Executive Officer shall indicate a reasonable application deadline in the notice. The Chief Executive Officer shall also notify the State Campaign Steering Committee, through the State Treasurer, at least 20 days prior to the application deadline, that the local unit of government is taking applications.

2. No later than 10 days after the close of the application due date, the Chief Executive Officer of the local unit of government, with the advice of the local Campaign Steering Committee, shall review applications of unaffiliated

charitable agencies wishing to participate in the local Campaign and shall notify each applicant of its eligibility or ineligibility to participate in the local Campaign. In cases of ineligibility, the notice shall set forth the reasons for such ineligibility.

3. Any charitable agency receiving notice of ineligibility shall have 15 days from receipt of such notice to file an appeal and to submit to the Chief Executive Officer of the local unit of government any additional information addressing any deficiency in the application.

4. Within 45 days of receipt of any additional information, the Chief Executive Officer of the local unit of government shall convene a special appeal panel consisting of the representatives of the employees or management and the representatives of the Chief Executive Officer to review the charitable agency's application and any additional documentation or information submitted by the charitable agency to address any deficiency in the application as determined by the Chief Executive Officer.

5. The special appeal panel shall conduct its review in a timely manner and in that time notify the Chief Executive Officer of the local unit of government of its decision. The decision of the special appeal panel shall be final.

**17:29-3.3 Application form; affiliated charitable agency**

Affiliated charitable agencies wishing to participate in a local unit of government Campaign shall be certified as affiliated by their charitable fund-raising organization.

**17:29-3.4 Application form; unaffiliated charitable agency**

(a) The Chief Executive Officer of a local unit of government may request any general background information of the applicant charitable agency which may aid the Chief Executive Officer in his or her determination of any agency's eligibility to participate in a local Campaign.

(b) In addition to the background information required in (a) above, the applicant must submit:

1. With respect to the requirements set forth in N.J.S.A 52:14-15.9c7(a), 15.9c7(b) and 15.9c7(c), an Internal Revenue

Service Letter of Determination or other proof from the Internal Revenue Service that the applicant:

i. Is exempt from Federal income tax under section 501(c)(3) of the Internal revenue Code;

ii. Qualifies for tax deductible contributions under section 170(b)(1)(A)(vi) or (viii) of the Internal Revenue Code; and

iii. Is not a private foundation as defined in section 509(a) of the Internal Revenue Code;

2. With respect to the requirements set forth in N.J.S.A. 52:14-15.9c7e, annual financial reports which demonstrate that the agency raised, in each of its two fiscal years preceding its application to participate in a local unit of government Campaign, at least \$15,000 from individual citizens of New Jersey;

3. A copy of the agency's Internal Revenue Service form 990 for each of the agency's two fiscal years preceding its application;

4. Documentary evidence that the agency is registered or exempt from registration pursuant to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes and the \_Charitable Registration and Investigation Act,\_ (N.J.S.A. 45:17A-18 et seq.;

5. A copy of the agency's independent auditor's report for each of the agency's two fiscal years preceding its application unless the agency is not required to submit an audit to the Division of Consumer of Affairs in order to remain in compliance with the \_Charitable Registration and Investigation Act,\_ N.J.S.A. 45:17A-18 et seq.;

i. Each agency not required to submit an audit to the Division of Consumer Affairs in order to remain in compliance with the \_Charitable Registration and Investigation Act,\_ N.J.S.A. 45:17A-18 et seq. in the agency's two fiscal years preceding its application must

submit the two previous years' certified financial statements signed by an authorized officer.

6. A copy of the agency's annual report for each of the agency's two fiscal years preceding its application;

7. A statement affirming that the agency provides health, welfare or human care services within New Jersey, and a description of the services; and

8. A statement affirming that the agency is directed by a governing body whose members have no material conflict of interest in their service on the governing body, and a list of the members of the governing body and the identification of its officers.

(c) An unaffiliated charitable agency, that was found eligible by to participate in a local unit of government Campaign immediately prior to the local unit of government Campaign being applied for, shall be required only to submit to the Chief Executive Officer of the local unit of government its most

recent information which shall specifically update the requirements of subsection (b) above.

(d) Unaffiliated charitable agencies found eligible to participate in a local unit of government Campaign under (c) above, shall be required to notify the Chief Executive Officer of the local unit of government of any change in the agency's status under the Internal Revenue Code of 1986 and of any new officers or bylaw within 45 days of any such change.

#### SUBCHAPTER 4. CAMPAIGN ADMINISTRATION

##### **17:29-4.1 General provisions**

The provisions of this subchapter shall apply to employees of local units of government.

##### **17:29-4.2 Campaign period**

(a) Each local Campaign Steering Committee shall schedule the Campaign solicitation period for its local unit of government.

(b) Participating charitable fund-raising organizations and charitable agencies may not engage in solicitation activities



among employees of local units of government at the work site during the non-Campaign period.

**17:29-4.3 Payroll deduction**

The appropriate disbursing officer for each local unit of government shall establish a payroll deduction system for the collection and distribution of voluntary charitable contributions by employees of the local unit of government in accordance with the Act.

#### **17:29-4.4 Campaign literature**

(a) Each local Campaign Steering Committee shall be responsible for the design, printing and distribution of local Campaign pledge/designation cards and other local Campaign literature.

(b) The Chief Executive Officer of the local unit of government shall approve, prior to distribution, the content of any local Campaign pledge/designation card, local Campaign literature and/or other materials to be distributed to employees of the local unit of government during the course of a local Campaign to ensure that the information contained in these materials is accurate and fair. The Chief Executive Officer of the local unit of government shall also approve, prior to distribution, the form of any local Campaign materials to ensure compliance with administrative requirements of the Campaign.

#### **17:29-4.5 Distribution of campaign literature**

During working hours, Campaign volunteers shall distribute at the request of the local Campaign Manager, only local Campaign information or literature approved by the Chief

Executive Officer for distribution in the local unit of government Campaign.

#### **17:29-4.6 Form of contribution**

Employees may contribute to eligible charitable fund-raising organizations and/or charitable agencies either cash or a specified amount to be deducted from their compensation each pay period.

#### **17:29-4.7 Designated contribution**

(a) Employees may designate, on a local Campaign pledge/designation card, their contribution to a specific charitable fund-raising organization and/or charitable agency participating in the local Campaign, and/or may select the undesignated option. Designated contributions through the payroll deduction or in cash shall be a minimum contribution of \$1.00 per week (\$2.00 per pay period, or \$52.00 per year) per charitable fund-raising organization or agency designated.

The minimum contribution requirement shall be met for each additional charitable fund-raising organization or agency designated.

(b) A local Campaign pledge/designation card shall be valid only for the calendar year of a local Campaign. An employee who wishes to participate in a subsequent local Campaign must file a new Campaign pledge/designation card valid for the subsequent local Campaign.

#### **17:29-4.8 Distribution of contributions**

(a) Designated contributions shall be distributed in a manner established by the local Campaign Steering Committee and in accordance with the wishes of the designating employees of local units of government.

(b) Undesignated contributions and designations to charitable agencies not approved to participate in the local Campaign shall be distributed to participating charitable fund-raising organizations in the same proportion that these charitable fund-raising organizations received designated funds.

#### **17:29-4.9 Campaign education**

(a) Participating charitable fund-raising organizations and charitable agencies may not engage in educational activities

among employees of local units of government at the workplace at any time, except as detailed in this subchapter.

(b) During the local Campaign educational activities may take place only by a representative of the local Campaign and when an authorized person at the workplace either requests or invites a representative of the local Campaign to speak to and educate employees of local units of government about the local Campaign. The representative of the local Campaign may only:

1. Identify, describe or explain the local Campaign, without engaging in activity which could be construed as a direct or indirect request for a contribution;

2. Promote a unified educational message, without criticizing or advocating for any specific charitable fund-raising organization and/or charitable agency; and

3. Conduct the educational activities in such a way as to minimize disruption to the workplace and its employees.

(c) During non-Campaign periods, participating charitable fund-raising organizations and charitable agencies may engage in educational activities among employees of local units of government at the work site of the Employees of local units of government, as determined by the Chief Executive Officer of the local unit of government.

## SUBCHAPTER 5. CAMPAIGN ACCOUNTS

### **17:29-5.1 General provisions**

The Chief Executive Officer of each local unit of government shall establish a system to ensure that the total amount of contribution as requested by the employees of the local unit of government is deducted from employees compensation and that amount is remitted to the local Campaign Steering Committee.

### **17:29-5.2 Campaign Accounting**

At the end of the local Campaign solicitation period the Chief Executive Officer of the local unit of government shall provide to the local Campaign Manager information containing the total amount contributed by the employees of the local

unit of government to charitable fund-raising organizations and charitable agencies participating in the local Campaign.

#### **17:29-5.3 Costs**

(a) The operation of the payroll deduction system for each local unit of government Campaign will be provided by the local unit of government as a service to its employees in the same manner that other authorized deductions are provided.

(b) Other costs attributed to the local unit of government Campaign including, but not limited to the design, printing or preparation, and distribution of Campaign materials and Campaign accounting and administration to be conducted by the local Campaign Manager shall be payable by the local Campaign Steering Committee from contributions. These costs shall not exceed ten percent of the total amount of contribution in the local unit of government Campaign.